

## SUBCHAPTER B—PAYMENT PROCEDURES

### PART 140—REIMBURSEMENT

#### Subparts A–D [Reserved]

#### Subpart E—Administrative Settlement Costs—Contract Claims

Sec.

- 140.501 Purpose.
- 140.503 Definition.
- 140.505 Reimbursable costs.

#### Subpart F—Reimbursement for Bond Issue Projects

- 140.601 Purpose.
- 140.602 Requirements and conditions.
- 140.603 Programs.
- 140.604 Reimbursable schedule.
- 140.605 Approval actions.
- 140.606 Project agreements.
- 140.607 Construction.
- 140.608 Reimbursable bond interest costs of Interstate projects.
- 140.609 Progress and final vouchers.
- 140.610 Conversion from bond issue to funded project status.
- 140.611 Determination of bond retirement.
- 140.612 Cash management.

APPENDIX TO SUBPART F—REIMBURSABLE SCHEDULE FOR CONVERTED “E” (BOND ISSUE) PROJECTS (OTHER THAN INTERSTATE PROJECTS)

#### Subpart G [Reserved]

#### Subpart H—State Highway Agency Audit Expense

- 140.801 Purpose.
- 140.803 Policy.
- 140.805 Definitions.
- 140.807 Reimbursable costs.

#### Subpart I—Reimbursement for Railroad Work

- 140.900 Purpose.
- 140.902 Applicability.
- 140.904 Reimbursement basis.
- 140.906 Labor costs.
- 140.907 Overhead and indirect construction costs.
- 140.908 Materials and supplies.
- 140.910 Equipment.
- 140.912 Transportation.
- 140.914 Credits for improvements.
- 140.916 Protection.
- 140.918 Maintenance and extended construction.
- 140.920 Lump sum payments.
- 140.922 Billings.

AUTHORITY: 23 U.S.C. 101(e), 106, 109(e), 114(a), 120(g), 121, 122, 130, and 315; and 49 CFR 1.48(b).

#### Subparts A–D [Reserved]

#### Subpart E—Administrative Settlement Costs—Contract Claims

SOURCE: 44 FR 59233, Oct. 15, 1979, unless otherwise noted.

##### § 140.501 Purpose.

This regulation establishes the criteria for eligibility for reimbursement of administrative settlement costs in defense of contract claims on projects performed by a State under Federal-aid procedures.

##### § 140.503 Definition.

Administrative settlement costs are costs related to the defense and settlement of contract claims including, but not limited to, salaries of a contracting officer or his/her authorized representative, attorneys, and/or members of State boards of arbitration, appeals boards, or similar tribunals, which are allocable to the findings and determinations of contract claims, but not including administrative or overhead costs.

##### § 140.505 Reimbursable costs.

(a) Federal funds may participate in administrative settlement costs which are:

- (1) Incurred after notice of claim,
- (2) Properly supported,
- (3) Directly allocable to a specific Federal-aid or Federal project,
- (4) For employment of special counsel for review and defense of contract claims, when
  - (i) Recommended by the State Attorney General or State Highway Agency (SHA) legal counsel and
  - (ii) Approved in advance by the FHWA Division Administrator, with advice of FHWA Regional Counsel, and
- (5) For travel and transportation expenses, if in accord with established policy and practices.